

# CDBG PROGRAM

## INDUSTRIAL INFRASTRUCTURE GRANT

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

### PURPOSE

Assist local governments in the development of public infrastructure that allows industries to locate new facilities, expand existing facilities, prevent the closing of a facility or the relocation of a facility outside the state.

### AUTHORIZATION

42 USC § 5301 et seq., 24 C.F.R. Part 570; and Missouri's "Consolidated Plan" submitted to the U.S. Department of Housing and Urban Development.

### ELIGIBLE AREAS

Projects can only be in a "non-entitlement" area -- a city under 50,000 in population or a county under 200,000 in population.

### ELIGIBLE APPLICANTS

Cities or counties.

### ELIGIBLE BENEFICIARY BUSINESSES

- More than one business must potentially benefit from the facilities to be funded.
- For-profit manufacturing, processing and assembly companies that will have wages above the county average and provide medical benefits are prioritized.

### USE OF FUNDS

- ✓ Grant funds may be used for public streets, water or sewer lines, engineering and other public facilities necessary to support the project. A public entity must own the facilities to be funded.
- ✓ Facilities owned by the company or a private utility are not eligible for funding.

### APPLICATION PROCEDURE

Applications are reviewed on a case-by-case basis, subject to fund availability.

### FUNDING LIMITS

The grants shall be determined in accordance with the following schedule:

Grant Amount	Max. per Job	Max. % of Capital Inv.
Up to \$500,000	\$10,000	35%
Next \$250,000	\$ 5,000	20%
Next \$250,000	\$ 3,000	8%
Next \$500,000	\$ 2,000	2%

(Ex: To receive a \$600,000 Infrastructure grant, total private capital investment must be no less than \$1,928,571 and create 70 new full-time jobs.)

### SPECIAL PROGRAM REQUIREMENTS

- The local government applicant must provide as much unrestricted resources (cash, in-kind resources) as they have available.
- **LMI Employees:** At least 51% of the new jobs to be created must be taken by persons considered "low to moderate income" (LMI).
- **Prevailing Wage Requirement:** Because grant proceeds are used for the construction of public works, prevailing wages must be paid to the employees of the contractors.

### CONTACT

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### ADDITIONAL RESOURCES

Go to the department's home page at [www.ded.mo.gov](http://www.ded.mo.gov) to obtain guidelines and forms for the Industrial Infrastructure Grant Program as well as a wealth of information regarding this program and Missouri's many other economic development programs and policies.